

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

January 31, 2007

Mert Hamilton, Registered Agent Rocanville Corporation PO Box 35 Delta, Utah 84624

Subject:

Permit Fees and Approval of Permit, Rocanville Corporation, Tejon Mine,

M0270087, Task ID# 749, Millard County, Utah

Dear Mr. Hamilton:

The Division has received all the reclamation surety for the 11.5 acres of the Tejon Mine per the reclamation surety payment schedule and has approved the mining and reclamation plan. This site is now permitted. However, permit fees have not been paid for the July 2006 to June 2007 permit year. Thus, the mine is suspended from operations until that fee is paid.

Please be advised that you need to meet all the regulatory requirements of the Bureau of Land Management.

Enclosed are copies of the signed and executed Reclamation Contract. The surety will be reviewed periodically to assure that the bond remains adequate. If you wish to expand according to your mine plan, then the remaining \$50,100 will need to be submitted as outlined in your payment schedule.

If in the future, you wish to modify your mining and reclamation plan, please furnish a redlined and strikeout version of the page(s) you wish to change and indicate how these are to be incorporated into the current approved plan using Form MR-REV-att, which is located on the web at www.dogm.utah.gov.

Thank you for your help and patience in finalizing this permitting action. Please call me if you have any questions (801)538-5258.

Sincerely

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

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Enclosure. Reclamation Contract and fee statements

cc: William Hudson 8235 Douglas Ave. STE 1201, Dallas, TX 75225 w/Encl

Fillmore BLM

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